

RECORDATION NO.

16727-A FILED

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DEC 08 '03

12-48 PM

SURFACE TRANSPORTATION BOARD

December 8, 2003

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Lease Termination and Equipment Disposition, dated as of November 28, 2003, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Lease which was previously filed with the Commission under Recordation Number 16727.

The names and addresses of the parties to the enclosed document are:

Lessor/Seller: SLX Canada Inc,  
1500 Bow Valley Square IV  
250 6<sup>th</sup> Avenue S.W.  
Calgary, Alberta T2P 3H7

Lessee/Buyer: Canadian National Railway Company  
935 de la Gauchetiere Street West  
Montreal, Quebec  
Canada H3B 2M9

Mr. Vernon A. Williams  
December 8, 2003  
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A description of the railroad equipment covered by the enclosed schedule is:

25 SD-60F Locomotives CN 5535, CN 5539 and CN 5541 – CN 5563

A short summary of the document to appear in the index follows:

Memorandum of Lease Termination and Equipment Disposition.

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Alvord', with a stylized flourish extending to the right.

Robert W. Alvord

RWA/anr  
Enclosures

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( SLX / CN Lease # 18 )

SURFACE TRANSPORTATION BOARD

**MEMORANDUM OF LEASE TERMINATION AND  
EQUIPMENT DISPOSITION** dated as of November 28,  
2003 between **SLX Canada Inc.** ("SLX") and **Canadian  
National Railway Company** ("CN").

**WHEREAS**, SLX is the lessor, of the twenty-five (25) SD-60F 3,800 h.p. diesel-electric locomotives marked CN 5535, CN 5539 and CN 5541 to CN 5563 inclusive (the "Equipment"), under that certain Lease of Equipment # 18 dated as of November 28, 1989 (the "Lease") with CN as lessee;

**AND WHEREAS**, SLX acknowledges that CN has fully performed its obligations under the Lease.

**IN WITNESS WHEREOF**, the parties wish to show for the public record that on the date first above written:

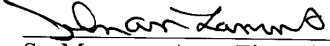
- 1) The Lease was terminated, by SLX and CN, in accordance with its terms;
- 2) SLX and CN acknowledge that certain indemnity provisions of the Lease survive the termination thereof, as more particularly specified therein;
- 3) The Equipment was sold, by SLX to CN, free and clear of all encumbrances arising through SLX pursuant to a Bill of Sale of even date herewith;

and accordingly have caused this Memorandum to be executed by their officers thereunto duly authorized.

**SLX CANADA INC.,**  
as lessor and seller

**CANADIAN NATIONAL  
RAILWAY COMPANY,**  
as lessee and buyer

By:   
Its: Director

By:   
Its: Sr. Manager, Asset Financing

By:   
Its: Director

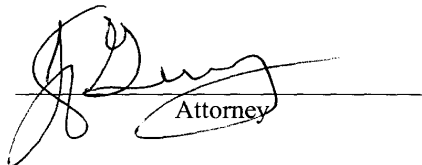
Note: On January 18, 1990 at 11:20 A.M., the Lease was filed with the Interstate Commerce Commission (predecessor to the Surface Transportation Board) pursuant to 49 U.S.C. S11303 (now S11301) with assigned primary recordation number 16727; and

On January 17, 1990, the Lease was deposited in the Office of the Registrar General of Canada pursuant to Section 90 of the Railway Act of Canada (now Section 105 of the Canada Transportation Act).

PROVINCE OF QUEBEC )  
 ) ss:  
DISTRICT OF MONTREAL )

*In the matter of a Memorandum  
dated as of October 1, 2003  
between SLX and CN.*

On this ~~12<sup>th</sup>~~<sup>Sept</sup> day of ~~November~~, 2003, before me personally appeared John A.N. Lamont, to me personally known, who, being by me duly sworn, says that he is Sr. Manager Asset Financing of Canadian National Railway Company, that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

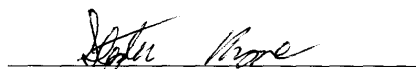
  
Attorney

Bar # 188726-2

PROVINCE OF ONTARIO )  
 ) ss:  
CITY OF TORONTO )

*In the matter of a Memorandum  
dated as of October 1, 2003  
between SLX and CN.*

On this 18<sup>th</sup> day of September, 2003, before me personally appeared Bruce Barker, to me personally known, who, being by me duly sworn, says that such person is a Director of SLX Canada Inc., that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

  
Notary Public

[Notarial Seal]